

85 01278

✓ 3-27-85

BECA-0156

Doc 2 of 2

17

TRENDS IN THE BLACK POPULATION OF BERKELEY

INSTITUTE OF GOVERNMENTAL  
STUDIES LIBRARY

MAR 18 1985

UNIVERSITY OF CALIFORNIA

City of Berkeley  
Planning and Community Development Department

# TABLE OF CONTENTS

SUMMARY	1
INTRODUCTION	1
BLACK HOMEOWNERS	2
Number	2
Move-In Date	2
Proportion of Move-Ins	5
Housing Cost Trends	5
Age	8
Income	8
Future	8
BLACK RENTERS	13
Number	13
Relationship to Decline in Total Rental Units	13
Move-In Date	15
Housing Cost Trends	15
Age	15
Income	15
Future	20
APPENDIX: Other Issues Concerning the Decline in the Black Renter Population	21
LIST OF TABLES	
Table One - Changes in Tenure by Race 1970 to 1980	3
Table Two - Owner Occupied Units by Move-In Date and Race	4
Table Three - Racial Proportions of Owners Moving into Units	6
Table Four - Median Monthly Cost of Owner-Occupied Units by Race and Move-In Date	7
Table Five - Age of Homeowners by Race	9
Table Six - Elderly Status of Black Owners, 1970 and 1980	10
Table Seven - Median Income by Race and Household Type, 1979	11
Table Eight - Incomes of Black Owner Households, 1970 and 1980	12
Table Nine - Total and Black Occupied Rental Units, 1970 and 1980, Selected Tracts	14
Table Ten - Renter Occupied Units by Move-In Date and Race	16
Table Eleven - Median Gross Rent of Renter Occupied Units by Race and Move-In Date	17
Table Twelve - Age of Renters by Race	18
Table Thirteen - Median Incomes of Renter Households, 1979 by Age, Household Type and Race	19
Table A-1 - Incomes of Black Renter Households, 1970 and 1980	22
Table A-2 - Gross Rent as a Percentage of Income, Black Renter Households, 1970 and 1980	23
Table A-3 - Age of Household Heads, Black Married Couple Renters, 1970 and 1980	24
Table A-4 - Black Renters by Size of Structure Inhabited, 1970 and 1980	25



## TRENDS IN THE BLACK POPULATION OF BERKELEY

### SUMMARY

Using newly available 1980 Census data, this report analyzes trends among Berkeley's Black homeowner and renter households. The Black homeowner population remained stable during the 1970's, but is likely to decline in the 1980's. This decline is likely because Black homeowners are an increasingly aged group, with over 1/3 being elderly in 1980. At the same time, a steep acceleration in the cost of homeownership made it increasingly difficult for Blacks to purchase homes in the latter 1970's.

The Black renter population was the proportion of the Black population which fell sharply in the 1970's. The number of Black renter households declined by nearly 1,200 during the decade, a fall of 17.9%. This decline was concentrated among low and moderate income Black renters, while the number of very low income renters remained stable. This decline may have been a result of the loss of rental units Berkeley experienced in the 1970's. As the causes for this decline are unclear, the future trend in the Black renter population is difficult to predict. However, the increasing competitiveness of the rental market in Berkeley may make it difficult for Black renters, who generally have lower incomes than Whites, to find units.

It has been argued that Berkeley is losing its "middle class" Black population. Data instead indicated losses among all but the poorest. Among Black renter, all groups except very low income declined during the 1970's. Thus, the low income as well as moderate income population declined. Among Black homeowners, the moderate and above income groups indeed declined. However, this is a result of the growing number of elderly of the homeowner population rather than an influx of poor owners.

### INTRODUCTION

This report discusses population and housing trends among the Black population in Berkeley. The report draws on newly available data from the 1980 Census to improve the City's understanding of changes in the Black population. This data and analysis is presented as background material for the City's effort to assist Black households in finding and retaining housing.

The report is organized into a discussion of the patterns of Black owners and Black renters. This is done because the owner and renter populations have shown markedly different patterns, and have different needs and interests. Breaking down the data in this way allows for a more accurate understanding of trends in the Black population. Information on the change in number of households during the 1970's, dates units were first moved into, the relationship of cost to move-in date, age of



household heads, income, and potential future trends is presented first for Black homeowners and then for Black renters. Data on the Black population is compared with data on the population as a whole and the White population. The report will compare trends in the Black populations primarily with trends in the White population. Where adequate information is available, the report will suggest reasons for trends.

#### Notes on the Data

Data presented in this report is for households, which are the groups of persons (including one person households) living in a single housing unit. No data is presented for individuals. Households are racially designated by the race of the head of household. With the exception of Table One, data presented is drawn from a sample of households, those which received the "long form" of the 1970 or 1980 Census. Thus totals in Table One vary somewhat from totals reported in other Tables. Statistics for "all owners" or "all renters" include not only Blacks and Whites, but those households racially designated as Asian, American Indian, or Other. Therefore, the sum of Black statistics plus White statistics will not equal "all." Raza are not considered by the Census to be a racial group, and may appear among any racial category.

All data presented is for 1980 unless otherwise specified.

#### BLACK HOMEOWNERS

##### Number

The total number of Black homeowners remained essentially stable during the 1970's. Table One indicates that the number of Black homeowners fell by 1.7% between 1970 and 1980. There was a recorded decline of only 63 Black owned homes between 1970 and 1980, from 3,706 to 3,643. However, this small decline contrasted with the increase in the number of White and All homeowners. Black homeowners in 1980 were 41.2% of the Black households in Berkeley. This percentage was up from 36.7% of Black households that Black owners made up in 1970.

##### Move-in Date

Table Two provides the date which householders moved into owner occupied units. This date in most cases is the date when a household purchased a unit, but in some cases it may indicate the date when a household first occupied a unit without purchasing it (through means such as inheritance).

Table Two indicated that few Black households purchased or moved into their homes during the latter 1970's. It shows that 27.3% of all homeowners, and 32.2% of White homeowners moved in between 1975 and 1980. However, the percentage of Black homeowners who moved in during those years was only 12.3%. Black households had largely ceased purchasing homes in Berkeley by the end of the 1970's.

The mirror image of these statistics is illustrated by the data for the longest standing homeowners, who moved into their unit in 1959 or before. Black homeowners are more likely to be in this group than are other homeowners. 43.9% of Black homeowners are in this group, compared to 33.0% of all homeowners.

TABLE ONE

Changes in Tenure by Race, 1970 to 1980

	<u>OWNERS</u>			<u>RENTERS</u>		
	<u>1970</u>	<u>1980</u>	<u>Percent Change, 1970-1980</u>	<u>1970</u>	<u>1980</u>	<u>Percent Change, 1970-1980</u>
All	15,515	16,833	+8.8	28,976	27,821	-4.0
White	11,052	11,664	+5.9	21,673	19,225	-12.3
Black	3,706	3,643	-1.7	6,382	5,198	-17.9

Source: 1970 Census, 1980 Census



TABLE TWO

## OWNER OCCUPIED UNITS BY MOVE IN DATE AND RACE

Year House- holder Moved Into Unit	ALL OWNERS		WHITE OWNERS		BLACK OWNERS	
	<u>Number</u>	<u>Percen- tage</u>	<u>Number</u>	<u>Percen- tage</u>	<u>Number</u>	<u>Percen- tage</u>
1979-1980	1,307	7.7	1,065	9.1	90	2.4
1975-1978	3,318	19.6	2,688	23.1	361	9.9
1970-1974	2,828	16.7	2,158	18.5	435	11.9
1960-1969	3,846	22.8	2,241	19.2	1,164	31.8
1959 & Earlier	<u>5,584</u>	<u>33.0</u>	<u>3,497</u>	<u>30.0</u>	<u>1,605</u>	<u>43.9</u>
TOTAL	16,883	100.0	11,649	100.0	3,655	100.0

Source: 1980 Census

### Proportion of Move-Ins

Table Three illustrates approximately what proportion of homeowners moving into new units were Black and White for different years. The figures can only be considered approximate because the Census can only reflect homeowners who stayed in their unit from their purchase date to 1980. For example, if a homeowner bought a house in Berkeley in 1971, then moved to a new one in 1978, (s)he would be shown as having moved into her/his in 1978, and the purchase in 1973 would not be reflected. Nevertheless, since homeowners tend to move relatively infrequently, the data for the most recent 10 years should be accurate. Thus, the statistics for move-ins from 1970 to 1980 are drawn from the 1980 Census, while the statistics for move-ins between 1960 to 1969 are drawn from the 1970 Census, and there can be no total.

The data suggests that the Black proportion of home purchases and other move-ins has dropped significantly. Blacks accounting for over one-fifth (22.4%) of move-ins in the 1960's. By the end of the 1970's, the fraction had fallen to 1/14 (6.8%).

### Housing Cost Trends

The soaring cost of homeownership may explain why few Blacks purchased homes in Berkeley in the latter 1970's. Table Four indicates what the median monthly housing cost of owner occupied units with a mortgage\* was for units moved into in various years. Housing costs recorded include mortgage payments, property taxes, insurance, utilities, and fuels, but do not include maintenance costs. The statistics should provide a good indication of changes in relative housing cost by the date an owner purchased a unit, since mortgage payments are generally the largest cost and do not change. However, owners' costs had undoubtedly escalated between the time they purchased the unit and the 1980 Census, particularly for utilities.

Table Four shows that the more recently a household purchased its unit, the higher the housing costs it would have to pay. Moreover, the disparity between costs for Black owners and costs for all or White owners increased dramatically. Median housing costs for all owners were 97.3% higher for those purchasing in the 1979-1980 period than for those purchasing between 1970 and 1974. The difference between Black and White housing costs widened from \$92 per month (38%) for purchasers during the 1960's to \$187 (52%) for purchasers between 1975 and 1978. Combined with the data from Tables Two and Three, this data suggests that Black homebuyers had difficulty keeping up with the accelerating cost of homeownership. The rapid increases during the 1970's were marked by parallel declines in Black homebuying. While housing costs for Black purchasers in 1979-1980 were markedly higher than previously, this cost was based on a greatly reduced number of purchasers.

---

\*65% of owner occupied units in Berkeley had a mortgage. Units without a mortgage generally had been occupied by the same owner since 1959 or earlier.



TABLE THREE

## RACIAL PROPORTIONS OF OWNERS MOVING INTO UNITS

<u>Race</u>		<u>1979-80</u>	<u>1975-78</u>	<u>1970-74</u>	<u>1960-69</u>
All	Number	1,307	3,318	2,828	6,899
	Percentage	100.0	100.0	100.0	100.0
White	Number	1,065	2,688	2,158	Not
	Percentage	81.4	81.0	76.3	Available
Black	Number	90	361	435	1,543
	Percentage	6.8	10.9	15.4	22.4

Source: 1980 Census



TABLE FOUR  
MEDIAN MONTHLY COST OF OWNER OCCUPIED UNITS  
BY RACE AND MOVE IN DATE\*

<u>Year Household Moved Into Unit</u>	<u>Median Monthly Cost</u>		
	<u>All Owners</u>	<u>White Owners</u>	<u>Black Owners</u>
1979-80	\$740	Over \$750	\$622
1975-78	\$548	\$575	\$378
1970-74	\$375	\$404	\$314
1960-69	\$290	\$333	\$241
1959 & earlier	\$234	\$254	\$228

\*Costs are for mortgaged housing units. Costs consist of mortgage payments, property taxes, insurance, fuels, and utilities and exclude maintenance.

Source: 1980 Census

### Age

The Black homeowner population is older than other homeowners, a fact which fits well with the lack of recent home purchases by Blacks. The median age of Black homeowners was almost nine years greater than that of White homeowners--59.7 and 50.5 years respectively. More than 1/3 (33.5%) of Black homeowners were age 65 and above, and more than 4/5 (81.3%) were 45 and above. By contrast, more than 2/4 (41.3%) of White homeowners were 44 or younger.

It is clear that the Black homeowner population aged in the 1970's. The only complete comparative data for 1970 and 1980 concerns whether owners were below or above 65. The number and proportion of elderly (over 65) Black homeowners grew sizably between 1970 and 1980. While elderly homeowners were only 1/5 (19.8%) of Black owners in 1970, they were 1/3 (33.5%) in 1980. This information, combined with that on move-in patterns of Black homeowners suggest that the Black homeowner population was a little-changing group that was "aging in place."

### Income

Black homeowners' incomes were below Whites'. This is consistent with the earlier purchase dates of Black homeowners (when lower incomes were required) and the high proportion of elderly among Black homeowners. Table Seven indicates the median incomes of various racial, tenure, and household type groups. In this table, "married couple families" have two adults, married to each other, present. "Male householder only" and "Female householder only" may be a single person, a single parent and/or a person living with adults they are not married to.

Among the largest group of homeowners--married couple families--the Black median income of \$19,885 was only 55% of the White figure of \$35,866. The small group of male householder only Black owners earned 70% of the White figure--\$17,295 for Blacks and \$24,716 for Whites. Black female headed households had incomes which were only 57% of their White counterparts'--\$9,936 for Blacks; \$17,373 for Whites. As the statistics for Elderly Owner-Occupied suggest, this last group included a number of widows.

The income of Black homeowners showed an apparent decline during the 1970's. Table 8 indicates that the proportion of Very Low income homeowners rose from 1/4 (25.1%) to close to 1/3 (32.1%). However, this decline was due to the aging of the Black homeowner population discussed above, rather than an influx of new, poorer homeowners. This is indicated by the fact that the higher the income of Black homeowners, the lower their median age tended to be. The poorest homeowners--with incomes below \$5,000 in 1979 had a median age of 70.6. The wealthiest--the small group of 62 with an income of \$50,000 or more--had a median age of 54.2.

### Future

The data above suggests that the number of Black homeowners will decline in the 1980's. The elderly character of the Black homeowner population means that a significant number of Black homeowners will be dying in the 1980's. Unless the trend of the late 1970's reverses, few Black purchasers will enter the market and "replace" them. The sharp increases in housing costs indicated by Table Five



TABLE FIVE  
AGE OF HOMEOWNERS BY RACE

<u>Age of Household Head</u>	ALL OWNERS		WHITE OWNERS		BLACK OWNERS	
	<u>Number</u>	<u>Percentage</u>	<u>Number</u>	<u>Percentage</u>	<u>Number</u>	<u>Percentage</u>
15-24	110	.6	75	.6	9	.2
25-34	2,387	14.1	1,988	17.1	185	5.1
35-44	3,469	20.5	2,753	23.6	489	13.4
45-64	6,025	35.7	3,576	30.7	1,748	47.8
65 & Above	4,872	28.8	3,257	28.0	1,224	33.5
Total	16,883	100.0	11,649	100.0	3,655	100.0
Median Age	53.9		50.5		59.7	

Source: 1980 Census

TABLE SIX

## ELDERLY STATUS OF BLACK OWNERS, 1970 AND 1980

<u>Age Category</u>	<u>1970</u>		<u>1980</u>		<u>Change in 1970 &amp; 1980</u>
	<u>Number</u>	<u>Percentage</u>	<u>Number</u>	<u>Percentage</u>	
Below 65	2,924	80.2	2,431	66.5	-493
65 and above	720	19.8	1,224	33.5	+504
TOTAL	3,644	100.0	3,655	100.0	+ 11

Source: 1970 Census, 1980 Census



TABLE SEVEN  
MEDIAN INCOME BY RACE AND HOUSEHOLD TYPE, 1979

		TOTAL			WHITE			BLACK		
		Married Couple Families	Male House- holder Only	Female House- holder Only	Married Couple Families	Male House- holder	Female House- holder	Married Couple Families	Male House- holder	Female House- holder
Owner Occupied	Number	9,219	2,379	5,285	6,344	1,801	3,504	1,845	431	1,379
	Median Income	\$31,746	\$22,642	\$14,910	\$35,866	\$24,716	\$17,373	\$19,885	\$17,295	\$9,936
Elderly Owner Occupied	Number	2,394	402	2,076	1,547	263	1,447	596	104	524
	Median Income	\$20,170	\$ 9,083	\$ 9,213	\$25,728	\$12,404	\$12,030	\$12,348	\$ 5,883	\$5,350
Renter Occupied	Number	4,179	11,189	12,453	2,654	8,282	8,631	913	1,587	2,661
	Median Income	\$16,157	\$ 9,380	\$ 8,180	\$16,862	\$ 9,923	\$ 8,932	\$15,247	\$ 8,464	\$6,853
Elderly Renter Occupied	Number	509	618	1,676	287	333	1,233	168	265	360
	Median Income	\$12,161	\$ 6,522	\$ 5,584	\$14,963	\$ 8,004	\$ 6,629	\$ 7,759	\$ 4,709	\$ 4,174

-23-

TABLE EIGHT

INCOMES OF BLACK OWNER HOUSEHOLDS\*  
1970 AND 1980

Income Category	1970 (1969 Income)			1980 (1979 Income)		
	Income Level	Number	Percentage	Income Level	Number	Percentage
Very Low	Below \$5,000	917	25.1	Below \$10,000	1,181	32.3
Low	\$5,000-7,999	620	17.0	\$10,000-15,999	690	18.9
Moderate	\$8,000-11,999	925	25.4	\$16,000-23,999	789	21.6
Above Moderate	\$12,000-19,999	870	23.9	\$24,000-39,999	711	19.4
High	\$20,000 & above	<u>312</u>	<u>8.6</u>	\$40,000 & above	<u>284</u>	<u>7.8</u>
TOTAL		3,644	100.0		3,655	100.0

\*Number of households interpolated for all categories except Very Low Income. Categories are based on the following relationship to the median household income for the metropolitan area:

Very Low	Below 50% of Median
Low	50-79.9% of Median
Moderate	80-119.9% of Median
Above Moderate	120-199.9% of Median
High	Above 200% of Median

Source: 1970 Census, 1980 Census



will make this difficult. Some Black owned homes will presumably be passed on to children or relatives. During the 1970's, however, such transfers were apparently rare.\*\*

### BLACK RENTERS

#### Number

The total number of Black renter households fell sharply in the 1970's, from 6,382 to 5,198. Table One indicates that the number of Black renters fell 17.9% between 1970 and 1980. This decline of over 1,000 households was proportionately greater than the 12% loss in White renter households or the 4% loss in all renter households. Black renters declined from 63.3% of Black households in 1970 to 58.8% in 1980.

Given that the loss of Black renters was not due to inability to move into new units (discussed in move-in date section), the data does not indicate why Black renters left Berkeley. Berkeley's loss contrasts with the increase in Black occupied rental units in Oakland and Richmond, and with the shallow 2% decrease in Black occupied rental units in San Francisco.

#### Relationship to Decline in Total Rental Units

The loss of Black renter households was most clearly associated geographically with a loss of rental units. Two-thirds of the loss in Black renter households occurred in 5 tracts: 4221 (Oceanview North), 4231 (SUDS), 4234 (McGee), 4235 (Savo Island) and 4240 (Southwest Berkeley). These tracts lost 80% of the 1,184 Black renter households lost during the 1970's. All but 4231 showed a marked drop in the number of rental units during the 1970's. By contrast, two other tracts with large Black renter populations--4232 and 4233--showed neither major declines in the number of rental units or in the number of Black households. This pattern is displayed for tracts with large Black populations in Table 9.

However, as Table 9 indicates, decline in the number of Black occupied rental units was not generally the same as the decline in the number of rental units. In some cases, the Black decline was greater than overall; in other cases, the overall decline was greater than the Black decline. Thus, the precise relationship between decline in Black renters and decline in total renters in these areas is unclear. The Black renters could have been directly displaced by loss of the rental units, or may simply have had difficulty competing in the tightened rental market in these areas.

Other theories concerning reasons for the decline in Black renters are discussed in the Appendix.

---

\*\*Blacks acquired 108 homes without a mortgage during the 1970's, suggesting transfer from parents or relatives. The data indicates that over 800 homes were bought by Blacks in the 1970's, while the number of Black homeowners declined slightly. This suggests that over 900 homes were sold or otherwise transferred from Black homeowners, with the 108 homes acquired without a mortgage being only a small percentage of this figure.

TABLE NINE

TOTAL AND BLACK OCCUPIED RENTAL UNITS,  
1970 AND 1980 SELECTED TRACTS:

TRACT	Occupied Rental Units			Black Occupied Rental Units		
	1970	1980	Change	1970	1980	Change
4219	790	814	+ 24	167	136	- 31
4221	678	655	- 23	394	277	- 117
4222	928	969	+ 41	261	209	- 52
4230	1,430	1,384	- 46	218	186	- 32
4231	1,251	1,080	- 171	501	352	- 149
4232	761	753	- 8	551	483	- 68
4233	620	724	+ 104	529	592	+ 63
4234	1,273	1,190	- 83	978	768	- 210
4235	1,489	1,057	- 432	366	236	- 130
4239	1,254	1,149	- 105	258	202	- 56
4240	1,533	1,425	- 108	1,382	1,181	- 201
CITYWIDE	28,976	27,821	-1,155	6,382	5,198	-1,184

Source: 1970 Census, 1980 Census



Move-In Date

Black renters continued to actively move into new units through the 1970's. Table Ten demonstrates that a higher percentage of Black renters than White Renters moved into their units between 1975 and 1978 -- 38.2% as against 36.0% respectively. A considerably higher proportion of White renters than Black moved in in 1979-1980 -- 46.2% among Whites compared with 28.7% among Blacks. However, much of this activity is probably accounted for by the largely White student population

This pattern might seem to conflict with that of a loss in Black renter households. Taken together they suggest that Black renters in Berkeley in the 1970's were moving to new units, but that this was simply moving around of Black renters already in Berkeley. At the same time, a considerable number of Black renters must have moved out of Berkeley when they moved. "Doubling up" -- households moving in together -- does not account for the fall in the number of renter households. The median size of Black renter households fell considerable in the 1970's -- from 2.1 persons per unit in 1970 to 1.77 persons per unit in 1980.

Housing Cost Trends

The cost inflation over time experienced by renters was not nearly as great as that faced by owners. Table Eleven shows that gross rent (rent and utilities) for all renters moving into their unit in 1979-1980 was 25.1% greater than for those moving in 1970-1974. This statistic is not as significant for renters as for owners, since rents can be adjusted annually. The 10.1% increase in cost for Black renters was well below the 27.4% increase for White renters.

Age

The Black renter population was also sharply older than its White counterpart. Over 2/3 (67.5%) of White renters were 34 and younger (Table Twelve) compared with 2/5 (40.5%) of Black renters. The median age of Black renters at 39.3 is almost nine years above Whites' 30.6. A portion of this difference is due to the large White student population, particularly in the 15-24 age group. The 25-34 age group among Whites includes some students and probably many "post students," persons who remain in Berkeley after completing their work at the University. The difference in age structure also reflects the decline in the number of 25 to 34 year old Blacks during the 1970's. The age difference may also reflect greater difficulties on the part of lower income Blacks in purchasing homes.

Income

Like Black homeowners, Black renters had lower incomes than their White counterparts. However, the Black-White differences were less severe among renters. Table Thirteen shows that the disparities tend to increase with age. The greatest disparities are found in the 45-64 age group, where Black married couple renters had a median income of 62% of the White level, male householders had 81%, and female householders 57.7%.

Unmarried Black renters, particularly female household heads, had very low absolute incomes. At no age did the median income of Black female heads of households rise above \$10,000.

TABLE TEN  
 RENTER-OCCUPIED UNITS  
 BY MOVE IN DATE AND RACE

	ALL RENTERS		WHITE RENTERS		BLACK RENTERS	
	<u>Number</u>	<u>Percentage</u>	<u>Number</u>	<u>Percentage</u>	<u>Number</u>	<u>Percentage</u>
1979-80	12,231	44.1	9,006	46.2	1,471	28.7
1975-78	10,021	36.2	7,028	36.0	1,956	38.2
1970-74	2,804	10.1	1,908	9.8	742	14.5
1960-69	1,760	6.3	1,025	5.3	668	13.0
1959 & Earlier	860	3.1	519	2.7	284	5.5
Total	27,676	100.0	19,486	100.0	5,121	100.0

Source: 1980 Census

TABLE ELEVEN

MEDIAN GROSS RENT OF RENTER OCCUPIED UNITS  
BY RACE AND MOVE-IN DATE

<u>Year Moved Into Unit</u>	<u>Median Monthly Gross Rent</u>		
	<u>All Renters</u>	<u>White Renters</u>	<u>Black Renters</u>
1979-80	\$ 269	\$ 274	\$ 241
1975-78	237	245	217
1970-74	215	215	214
1960-69	211	211	212
1959 & Earlier	192	195	181

Source: 1980 Census



TABLE TWELVE  
AGE OF RENTERS BY RACE

<u>Age of Household Head</u>	ALL RENTERS		WHITE RENTERS		BLACK RENTERS	
	<u>Number</u>	<u>Percentage</u>	<u>Number</u>	<u>Percentage</u>	<u>Number</u>	<u>Percentage</u>
15-24	6,530	23.4	4,798	24.5	547	10.6
25-34	11,108	39.9	8,414	43.0	1,535	29.7
35-44	4,136	14.9	2,813	14.4	932	18.1
45-64	3,244	11.7	1,689	8.6	1,354	26.2
65 & Above	2,803	10.1	1,853	9.5	793	15.4
Total	27,821	100.0	19,567	100.0	5,161	100.0
Median Age	31.3		30.6		39.3	

Source: 1980 Census

TABLE THIRTEEN

MEDIAN INCOMES OF RENTER HOUSEHOLDS, 1979  
BY AGE, HOUSEHOLD TYPE AND RACE

-31-

Age of House- hold Head	<u>MARRIED COUPLE FAMILIES</u>			<u>MALE HOUSEHOLDER ONLY</u>			<u>FEMALE HOUSEHOLDER ONLY</u>		
	<u>All</u>	<u>White</u>	<u>Black</u>	<u>All</u>	<u>White</u>	<u>Black</u>	<u>All</u>	<u>White</u>	<u>Black</u>
15-24	\$ 11,729	\$11,629	\$13,911	\$ 6,640	\$ 6,999	\$ 6,596	\$ 5,357	\$ 5,963	\$4,250
25-34	16,273	16,206	16,894	10,885	11,279	9,199	10,030	10,484	7,984
35-44	21,187	23,113	20,924	14,454	15,043	13,281	10,747	11,263	9,958
45-64	20,850	28,125	17,448	14,154	16,053	13,017	10,684	13,137	7,589
65 and above	<u>12,161</u>	<u>14,963</u>	<u>7,759</u>	<u>6,522</u>	<u>8,004</u>	<u>4,709</u>	<u>5,584</u>	<u>6,629</u>	<u>4,174</u>
All	\$16,517	\$16,862	\$15,247	9,380	9,923	8,464	8,180	8,932	6,853

Source: 1980 Census

Table six shows the differences in income between Black renters and Black homeowners were much less sharp than among Whites. Black married couple renters earned 76.7% of the median income of Black married couple homeowners, while among Whites, married couple renters only had 47% of the income of married couple homeowners. These differences stemmed from the fact that Black homeowners had much lower incomes than White homeowners. For a discussion of trends in Black renters' income, please see the Appendix.

### Future

Given the uncertainty as to causes of the sharp decline in Black renters during the 1970's, it is difficult to predict the likely future trend among Black renters. A substantial proportion of Black renters are receiving Section 8 rental assistance. The 948 Black households receiving Section 8 in mid 1984 comprise 18% of the total Black renters recorded in 1980. Loss or reduction of this subsidy could make it more difficult for Black renters to remain in Berkeley. The low incomes of Black renters make them less attractive to landlords when competing for units with other more affluent households. If, as is widely believed, competition for rental units is increasing, this competition could lead to a further reduction in the number of Black renters.

It has been suggested that increasing homeownership opportunities is a method to assist Black and low income households to remain in Berkeley. Data in this report, however, suggests that this will be difficult without deep subsidy. If one assumes that the median income reported by Black married couple renters in 1979 has increased some 25%, they would now have an income of approximately \$20,000. This \$20,000 income would allow the purchase, using reduced interest 11% mortgage revenue bond financing, of a home costing approximately \$50,000. This is well below the current \$70,000 to \$100,000 sales prices of homes in South and West Berkeley. The data shows that Black single heads of households would have even more severe affordability problems. For most Black renters to afford to purchase homes, deeper subsidies than those offered by the mortgage revenue bond will be required. Cooperative or condominium ownership may be more achievable, although this may require subsidy as well.



APPENDIXOther Issues Concerning the Decline in the Black Renter Population

There are a number of additional theories concerning why the number of Black renter households fell. It has been suggested that Black renters moved due to an inability to pay increased rents. However, the renters who remained tended to be very Low Income. Table A-1 illustrates the fact that the number of Very Low Income Black renters remained stable in the 1970's, while the number in other categories declined. Moreover, as Table A-2 indicates, the percentage of income paid for gross rent (rent including utilities) generally did not change markedly during the 1970's. This suggests that rent levels were probably not the primary cause of the loss in Black renter population. However, the proportion of those payment 35% or more of their income for rent did rise from 35.2% to 41.7%.

It has been suggested that the Black renter households became owner occupants. However, the lack of growth in the number of Black homeowners in Berkeley and the low level of move-ins to owner occupied units in the 1970's indicates that the renters did not purchase homes in Berkeley. Reinforcing this conclusion is the fact that the number of non-elderly Black homeowners fell in the 1970's. (Table 6) Table A-3, however, indicates that the decline in Black renters was severest in younger age groups; between 15 and 34.\* These young renters could not reappear in ten years as elderly homeowners.

Thus, if Black households which were renters in 1970 purchased homes for owner-occupancy, they must have done so outside of Berkeley. The number of Black homeowners did rise in the 1970's in Oakland, Richmond and other communities. However, there is no way to ascertain what city these homebuyers previously resided in. In the metropolitan area as a whole, the percentage of Blacks owning their own homes grew only marginally between 1970 and 1980, rising from 36.9% to 37.7%. Thus, there was no general trend to homeownership among Blacks.

It has also been suggested that Black renters were displaced by the conversion of units to homeownership. However, data is ambiguous on this point. Clearly, there was an increase in the number of owner occupied units beyond the level accounted for by new construction. A tract level analysis of changes in tenure in tracts where Black renters declined gives uncertain results. In most of these tracts, the number of White and other non-Black (inclusive of Asians and Latinos) homeowners rose. Typically, the number of White and other non-Black renters also rose. Thus, Black tenants could have been displaced/replaced by new homeowners or other renters.

An analysis of changes in Black renters by structure size is also unclear. If Black tenants were displaced by new homeowners, one would expect to see declines in Black tenants residing in small buildings. These small one to four unit buildings are best suited for conversion to owner occupancy. Table A-4 indicates declines of Black tenants in buildings of many sizes. While Black tenants declined in one to four unit buildings, they also did so in five to nine unit buildings. Only in larger buildings above ten units did the number of households remain nearly constant. Unfortunately, equally detailed data is not available for owner occupants, making comparison impossible.

---

\*Married couple households are used because those are the only type for which a detailed age breakdown was available in 1970. As there was not a compensating increase in other types of Black renter households, married couple data gives accurate information.

TABLE A-1  
INCOMES OF BLACK RENTER HOUSEHOLDS\*  
1970 and 1980

<u>Income Category</u>	<u>1970 (1969 Income)</u>			<u>1980 (1979 Income)</u>		
	<u>Income Level</u>	<u>Number</u>	<u>%age</u>	<u>Income Level</u>	<u>Number</u>	<u>%age</u>
Very Low	Below \$5,000	2,938	46.4	Below \$10,000	2,935	56.0
Low	\$5,000-7,999	1,469	23.2	\$10,000-15,999	968	18.8
Moderate	\$8,000-11,999	1,111	17.6	\$16,000-23,999	751	14.5
Above Moderate	\$12,000-19,999	645	10.2	\$24,000-39,999	405	7.8
High	\$20,000 & above	166	2.6	\$40,000 & above	102	2.0
TOTAL	All	6,329	100.0	All	5,161	100.0

\* Number of households interpolated for all categories, except Very Low Income. Categories are based on the following relationship to the median household income for the metropolitan area:

Very Low	Below 50% of Median
Low	50-79.9% of Median
Moderate	80-119.9% of Median
Above Moderate	120-199.9% of Median
High	Above 200% of Median

Source: 1970 Census, 1980 Census

TABLE A-2

GROSS RENT AS A PERCENTAGE OF INCOME\*  
 BLACK RENTER HOUSEHOLDS, 1970 AND 1980

<u>Percentage of Income Paid</u>	<u>1970</u>		<u>1980</u>	
	<u>Number</u>	<u>Percentage</u>	<u>Number</u>	<u>Percentage</u>
Less than 15%	1,189	18.8	944	18.3
15-19%	924	14.6	604	11.7
20-24%	855	13.5	630	12.2
25-34%	1,133	17.9	862	16.7
35% or Greater	2,228	35.2	2,121	41.7
TOTAL	6,329	100.0	5,161	100.0

\* Housholds not reporting this item were allocated according to the distribution of other households.

Source: 1970 Census, 1980 Census



TABLE A-3

AGE OF HOUSEHOLD HEADS  
BLACK MARRIED COUPLE RENTERS, 1970 AND 1980

<u>Age of Household Head</u>	<u>1970</u>	<u>1980</u>	<u>Percentage Change 1970 to 1980</u>
15-24	294	71	- 75.9
25-34	758	268	- 64.7
35-44	331	141	- 42.5
45-64	494	265	- 53.6
65 and above	118	168	+ 42.4
TOTAL	1,995	913	- 45.7

Source: 1970 Census, 1980 Census

TABLE A-4

## BLACK RENTERS BY SIZE OF STRUCTURE INHABITED, 1970 AND 1980

<u>Structure Size</u>	<u>1970</u>	<u>1980</u>	<u>Percentage Change 1970 to 1980</u>
1 Unit	1,336	1,131	- 15.4
2 Units	890	561	- 37.0
3 - 4 Units	1,529	1,177	- 23.1
5 - 9 Units	1,583	1,313	- 17.1
10 Units or Larger	1,003	979	- 2.4
TOTAL	6,341	5,161	- 18.7

Source: 1970 Census, 1980 Census



U.C. BERKELEY LIBRARIES



C124879615